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UNITED STATES BANKRUPTCY COURT  
 EASTERN DISTRICT OF NEW YORK

In re:	:	Chapter 11
ORION HEALTHCORP, INC. <sup>1</sup>	:	Case No. 18-71748 (AST)
Debtors.	:	(Jointly Administered)
HOWARD M. EHRENBURG IN HIS CAPACITY AS LIQUIDATING TRUSTEE OF ORION HEALTHCORP, INC., ET AL.,	:	Adv. Pro. No. 20-08042 (AST)
Plaintiff,	:	
v.	:	
HOWARD M. SCHOOR,	:	
Defendant.	:	
	:	

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<sup>1</sup> The Debtor as defined herein refers to the following debtor entities in these chapter 11 cases, along with the last four digits of each their federal tax identification number: Orion Healthcorp, Inc. (7246); Constellation Healthcare Technologies, Inc. (0135); NEMS Acquisition, LLC (7378); Northeast Medical Solutions, LLC (2703); NEMS West Virginia, LLC (unknown); Physicians Practice Plus Holdings, LLC (6100); Physicians Practice Plus, LLC (4122); Medical Billing Services, Inc. (2971); Rand Medical Billing, Inc. (7887); RMI Physician Services Corporation (7239); Western Skies Practice Management, Inc. (1904); Integrated Physician Solutions, Inc. (0543); NYNM Acquisition, LLC (unknown) Northstar FHA, LLC (unknown); Northstar First Health, LLC (unknown); Vachette Business Services, Ltd. (4672); Phoenix Health, LLC (0856); MDRX Medical Billing, LLC (5410); VEGA Medical Professionals, LLC (1055); Allegiance Consulting Associates, LLC (7291); Allegiance Billing & Consulting, LLC (7141); New York Network Management, LLC (7168).

**CERTIFICATION OF HOWARD M. SCHOOR IN FURTHER SUPPORT OF  
DEFENDANT’S BRIEF IN OPPOSITION TO PLAINTIFF’S MOTION FOR  
SUMMARY JUDGMENT, OR IN THE ALTERNATIVE, SUMMARY ADJUDICATION**

I, Howard M. Schoor, am the Defendant in the above-captioned proceeding and hereby certify as follows:

**Details of the Loan and Repayment**

1. As has been stipulated by the parties, on June 8, 2009, I loaned \$600,000.00 to Paul Parmar (the “Loan”).
2. To complete the repayment of the Loan, Paul Parmar (“Parmar”), as CEO of Constellation Health Care Technologies, Inc. (“CHT”), arranged for the company to send me \$160,000.
3. \$100,000 was transferred to me on January 5, 2017 and \$60,000 was transferred to me the following day, January 6, 2017 (collectively the “Transfers”).
4. CHT is a consolidated enterprise of several companies which operated in the healthcare sector primarily in revenue and practice management for physician practices.
5. On Saturday, April 10, 2021, I met with Parmar in New Jersey to discuss the details surrounding the \$160,000 Loan repayment in 2017 (the “Meeting”).
6. Our conversation was recorded and the audio file has been sent to opposing counsel. The audio file is available to submit to the Court upon request.
7. At the Meeting, Parmar advised me that the Loan was used by Parmar to make payments on delinquent debt owed by Orion HealthCorp Inc.
8. Specifically, Parmar advised me that prior to the time I made the Loan, a group of investors he was involved with acquired Orion HealthCorp Inc. Further, Parmar advised me that

after this acquisition, he was tasked with paying down the company's debt which was incurred by its former owners.

9. According to Parmar, this debt had been delinquent for over three years. Parmar further stated that all of the \$600,000 in loaned funds, as well as the personal contributions of several other private individuals, went towards paying off Orion HealthCorp Inc.'s debt.

10. Parmar advised me that the goal of paying this debt with loaned funds was to rehabilitate the company's finances and save it from bankruptcy. Parmar also advised me that Orion HealthCorp Inc. was unable to pay the delinquent debt using its own cash flow.

11. Based on the above representations of Parmar, I believe Orion HealthCorp Inc., as one of the debtors in this bankruptcy proceeding, received reasonably equivalent value in exchange for the Transfers. Further, I received the \$160,000 in good faith as repayment for the Loan.

**The Financial Condition of the Company Prior to the Transfers as Described by Paul Parmar**

12. According to Parmar, in 2016, Orion HealthCorp Inc.

- a. Paid over \$5 million in income taxes;
- b. The company paid back \$26 million of its debt; and
- c. Acquired three companies using cash.

13. Further Parmar stated that CC Capital Partners, a private investment firm, requested and arranged for the Debtor to pay \$5 million in order to partially fund a proposed go private transaction of the company. The Debtor made this amount available to go towards the go-private transaction in January of 2017.

14. I believe these representations gives credence to the notion that the Debtor was not insolvent as of the date of the Transfers on January 5 and January 6, 2017.

I certify that, to the best of my knowledge, the foregoing is true and accurate.

By:   
Howard M. Schoor  
*Defendant*

Dated:

*05/06/2021*

Docs #5069859-v1